

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

_____)	
Petition of Boston Edison Company,)	
Cambridge Electric Light Company)	D.T.E. 05-85
Commonwealth Electric Company)	
NSTAR Gas Company)	
_____)	

PETITION TO INTERVENE
OF
MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Pursuant to 220 C.M.R. 1.03, the Massachusetts Institute of Technology ("MIT" or the "Petitioner"), hereby petitions the Department of Telecommunications and Energy ("Department") for leave to intervene in the above-captioned proceeding. In support of this petition, the Petitioner states the following:

1. MIT is a non-profit educational institution, located at 77 Massachusetts Avenue, Cambridge, Massachusetts.

2. MIT is a large institutional customer of Cambridge Electric Light Company ("CELCo").

3. MIT owns and operates on-site, self-generation facilities in the form of a generation plant, which supplies part of MIT's electricity needs.

4. On December 6, 2005, pursuant to G.L. c. 164, § 94 and 220 CMR § 5.00 et seq., Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company, (together "NSTAR Electric"). NSTAR Gas Company ("NSTAR Gas," collectively with NSTAR Electric, the "Companies") filed with the Department of Telecommunications and Energy ("Department") seeking approval of a rate settlement agreement ("Settlement") entered into with the Attorney General of the Commonwealth ("Attorney General"), the Low-Income

Energy Affordability Network and the Associated Industries of Massachusetts.

5. According to the Companies, the Settlement would mitigate rate increases for electric and gas customers. The Settlement provides for (1) NSTAR Electric rate changes on January 1, 2006 and May 1, 2006, (2) a performance-based rate mechanism for NSTAR Electric beginning January 1, 2007 and extending through December 31, 2012, (3) NSTAR Gas rate changes on January 1, 2006, (4) an expansion of NSTAR Electric's storm fund, (5) the implementation of new procurement programs for NSTAR Electric basic service customers, (6) the implementation of a fixed-price option for NSTAR Gas residential and small commercial default service customers, (7) the implementation of service quality, safety and reliability programs, (8) the implementation of a low-income arrearage management program, and (9) the preparation of an annual capital projects scheduling list.

6. The Department's decision in this proceeding will affect the rates, terms and conditions and quality of service for the Petitioner as a customer of CELCo and NSTAR Gas as well as other customers. The Petitioner will be substantially and specifically affected by the Department's adjudication of the Companies' proposal with respect to the transfer of collections from transition rates to distribution rate proposed for CELCo, the proposed distribution rate increase and the performance program and other measures proposed by the Companies in the Settlement. These issues will directly impact the rates and prices paid by MIT for gas and electric service and the quality of the services provided by the Companies. The Petitioner will be substantially and specifically affected by the Department's investigation as to whether the proposed rate plan will result in the avoidance of harm to ratepayers. MIT will be substantially and specifically affected by the proposed distribution rate increase proposed by CELCo and the resulting deferral for later recovery of transition cost charges.

7. While the Petitioner endorses certain components of the Settlement including the

low income program (paragraph 2.24) the expansion of the storm fund (paragraph 2.19 and 2.20) and the proposed reduction in the transition rate (paragraphs 2.2 and 2.4), we believe other items may warrant attention. MIT acknowledges that the Department and other potential parties may seek a full investigation with suspension of the proposed rates associated with the Settlement. In that event, MIT reserves its rights to fully participate in the proceeding as an intervenor while supporting aspects of the Settlement as noted above.

In this proceeding, if the Department proceeds to a full investigatory process with discovery, hearings and briefing, MIT may seek to investigate and address: (1) whether the proposed distribution rate increase to CELCo customers is appropriate and consistent with the provisions of G.L.c. 164; (2) whether CELCo's proposed distribution rate plan is supported by the evidence presented in this filing; (3) whether CELCo's proposed distribution of the proposed revenue changes is warranted without full investigation of the Company's entire cost of service to demonstrate that changes in exogenous factors warrant such rate revisions; (4) whether the Companies' proposed distribution rate increase should be supported by a new allocated cost of service study and rate design for each of the subsidiaries and for each tariff for each individual customer class served by the Companies; (5) whether MIT as a CELCo and NSTAR Gas customer will be jeopardized or degraded by the Companies' settlement proposal; (6) whether the service quality measures proposed by the settlement are adequate to protect against degradation of service and whether the proposed levels of service for individual measures are appropriate; (7) whether MIT as a CELCo and NSTAR customer will be protected against potential cross-subsidization resulting from the lack of appropriate cost allocation analyses in this proceeding; (8) whether MIT as a CELCo and NSTAR customer will be impacted by implicit changes in proposed rate design; (9) whether the Petitioner's transition cost responsibility will be increased by the proposed decrease in CELCo's transition cost charge and deferral of those same transition

costs, plus carrying charges, for later recovery from the Petitioners and other ratepayers; (10) whether the proposed seven year plan for rate changes and increases is appropriate and consistent with Department precedent; (11) whether the projected savings described by the Companies for the first five months as an offset to later increase is accurate and verifiable; (12) whether issues related to the merger set forth in Paragraphs 2.16 through 2.18 will be presented to all parties for discussion prior to necessary additional filings before the Department and other regulatory agencies; and (13) whether Chapter 164, section 1G allows for the collection of revenues related to the Settlement as proposed through the transition charge.

10. The Petitioner's interests in this proceeding are unique and cannot be adequately represented by any other party.

11. MIT seeks to participate as a full intervenor in this case, and where appropriate, to file comments, attend and participate in technical conferences, present witnesses, file discovery, cross-examine witnesses, and submit briefs.

WHEREFORE, Massachusetts Institute of Technology respectfully requests that the Department grant its Petition to Intervene.

Respectfully submitted,
MASSACHUSETTS INSTITUTE OF
TECHNOLOGY
By its attorney,

A handwritten signature in dark ink, reading "John A. DeTore (dli)". The signature is written in a cursive, flowing style.

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Dated: December 20, 2005